

SUBSTITUTE FOR
HOUSE BILL NO. 4750

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding part 7c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 7C

NEW JOBS TRAINING PROGRAMS

SEC. 771. AS USED IN THIS PART:

(A) "AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN AN EMPLOYER
AND A QUALIFYING INTERMEDIATE SCHOOL DISTRICT CONCERNING A PROJECT
AND ANY AMENDMENTS TO THAT AGREEMENT.

(B) "BOND" OR "BONDS" MEANS BONDS, NOTES, OR OTHER DEBT ISSUED
BY A QUALIFYING INTERMEDIATE SCHOOL DISTRICT UNDER THIS PART.

(C) "EMPLOYER" MEANS A PERSON THAT IS ENGAGED IN BUSINESS AND

1 HAS EMPLOYEES IN THIS STATE.

2 (D) "NEW JOB" MEANS A FULL-TIME JOB IN THIS STATE THAT MEETS
3 ALL OF THE FOLLOWING:

4 (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OR (iii), IS A
5 NEW, EXISTING, OR EXPANDING BUSINESS OF AN EMPLOYER.

6 (ii) IS NOT A JOB OF A RECALLED WORKER, A REPLACEMENT JOB, OR
7 ANY OTHER JOB THAT EXISTED IN THE EMPLOYER'S BUSINESS WITHIN THE 1-
8 YEAR PERIOD PRECEDING THE DATE OF AN AGREEMENT.

9 (iii) IS NOT A JOB THAT IS PART OF AN EMPLOYER'S BUSINESS
10 OPERATION LOCATED IN A MUNICIPALITY IN THIS STATE IF THAT JOB
11 EXISTED IN A BUSINESS OPERATION OR A SUBSTANTIALLY SIMILAR BUSINESS
12 OPERATION OF THE EMPLOYER FORMERLY LOCATED IN ANOTHER MUNICIPALITY
13 IN THIS STATE, THE EMPLOYER MOVED THAT BUSINESS OPERATION OR
14 SUBSTANTIALLY SIMILAR BUSINESS OPERATION TO ITS CURRENT LOCATION,
15 AND THE EMPLOYER CLOSED OR SUBSTANTIALLY REDUCED THAT FORMER
16 BUSINESS OPERATION OR SUBSTANTIALLY SIMILAR BUSINESS OPERATION.

17 (iv) RESULTS IN A NET INCREASE IN EMPLOYMENT IN THIS STATE FOR
18 THAT EMPLOYER.

19 (v) THE WAGE PAID FOR THE JOB IS EQUAL TO OR EXCEEDS 175% OF
20 THE STATE MINIMUM WAGE.

21 (E) "NEW JOBS CREDIT FROM WITHHOLDING" MEANS THE CREDIT
22 DESCRIBED IN SECTION 773.

23 (F) "NEW JOBS TRAINING PROGRAM" OR "PROGRAM" MEANS THE PROJECT
24 OR PROJECTS ESTABLISHED BY A QUALIFYING INTERMEDIATE SCHOOL
25 DISTRICT FOR THE CREATION OF JOBS BY PROVIDING EDUCATION AND
26 TRAINING OR RETRAINING OF WORKERS FOR NEW JOBS.

27 (G) "PROGRAM COSTS" MEANS ALL NECESSARY AND INCIDENTAL COSTS

1 OF PROVIDING PROGRAM SERVICES.

2 (H) "PROGRAM SERVICES" INCLUDES, BUT IS NOT LIMITED TO, ANY OF
3 THE FOLLOWING:

4 (i) TRAINING OR RETRAINING FOR NEW JOBS.

5 (ii) ADULT BASIC EDUCATION AND JOB-RELATED INSTRUCTION.

6 (iii) DEVELOPMENTAL, READINESS, AND REMEDIAL EDUCATION.

7 (iv) VOCATIONAL AND SKILL-ASSESSMENT SERVICES AND TESTING.

8 (v) TRAINING FACILITIES, EQUIPMENT, MATERIALS, AND SUPPLIES.

9 (vi) ADMINISTRATIVE EXPENSES FOR THE NEW JOBS TRAINING
10 PROGRAM.

11 (vii) SUBCONTRACTED SERVICES WITH PUBLIC UNIVERSITIES AND
12 COLLEGES IN THIS STATE, PRIVATE COLLEGES OR UNIVERSITIES, OR ANY
13 FEDERAL, STATE, OR LOCAL DEPARTMENTS OR AGENCIES.

14 (viii) CONTRACTED OR PROFESSIONAL SERVICES.

15 (I) "PROJECT" MEANS A TRAINING ARRANGEMENT THAT IS THE SUBJECT
16 OF AN AGREEMENT ENTERED INTO BETWEEN A QUALIFYING INTERMEDIATE
17 SCHOOL DISTRICT AND AN EMPLOYER TO PROVIDE PROGRAM SERVICES.

18 (J) "QUALIFYING INTERMEDIATE SCHOOL DISTRICT" MEANS AN
19 INTERMEDIATE SCHOOL DISTRICT THAT DOES NOT HAVE A MAJORITY OF ITS
20 TERRITORY LOCATED IN A COMMUNITY COLLEGE DISTRICT.

21 (K) "STATE MINIMUM WAGE" MEANS THE MINIMUM HOURLY WAGE RATE
22 UNDER THE WORKFORCE OPPORTUNITY WAGE ACT, 2014 PA 138, MCL 408.411
23 TO 408.424.

24 SEC. 772. (1) SUBJECT TO SUBSECTION (4), A QUALIFYING
25 INTERMEDIATE SCHOOL DISTRICT MAY ENTER INTO AN AGREEMENT TO
26 ESTABLISH A PROJECT WITH AN EMPLOYER ENGAGED IN BUSINESS ACTIVITIES
27 ANYWHERE IN THE STATE. AN AGREEMENT SHALL MEET SECTION 773 AND ALL

1 OF THE FOLLOWING:

2 (A) SHALL PROVIDE FOR PROGRAM COSTS THAT MAY BE PAID FROM A
3 NEW JOBS CREDIT FROM WITHHOLDING, TO BE RECEIVED OR DERIVED FROM
4 NEW EMPLOYMENT RESULTING FROM THE PROJECT, OR FROM TUITION, STUDENT
5 FEES, OR SPECIAL CHARGES FIXED BY THE INTERMEDIATE SCHOOL BOARD OF
6 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT TO DEFRAY PROGRAM COSTS
7 IN WHOLE OR IN PART.

8 (B) SHALL CONTAIN AN ESTIMATE OF THE NUMBER OF NEW JOBS TO BE
9 CREATED BY THE EMPLOYER.

10 (C) SHALL INCLUDE A PROVISION THAT FIXES, ON A QUARTERLY
11 BASIS, THE MINIMUM AMOUNT OF NEW JOBS CREDIT FROM WITHHOLDING TO BE
12 PAID FOR PROGRAM COSTS.

13 (D) SHALL PROVIDE THAT IF THE AMOUNT RECEIVED FROM THE NEW
14 JOBS CREDIT FROM WITHHOLDING IS INSUFFICIENT TO PAY PROGRAM COSTS,
15 THE EMPLOYER AGREES TO PROVIDE MONEY, AT LEAST QUARTERLY, TO MAKE
16 UP THE SHORTFALL SO THAT THE QUALIFYING INTERMEDIATE SCHOOL
17 DISTRICT RECEIVES FOR EACH QUARTER THE MINIMUM AMOUNT OF NEW JOBS
18 CREDIT FROM WITHHOLDING THAT IS PROVIDED IN THE AGREEMENT.

19 (E) SHALL INCLUDE THE EMPLOYER'S AGREEMENT TO MORTGAGE,
20 ASSIGN, PLEDGE, OR PLACE A LIEN ON ANY REAL OR PERSONAL PROPERTY AS
21 REQUIRED BY THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT AS SECURITY
22 FOR ITS OBLIGATIONS UNDER THE AGREEMENT.

23 (F) SHALL PROVIDE FOR PAYMENT OF AN ADMINISTRATIVE FEE TO THE
24 QUALIFYING INTERMEDIATE SCHOOL DISTRICT IN AN AMOUNT EQUAL TO 15%
25 OF THE AGGREGATE AMOUNT TO BE PAID UNDER THE AGREEMENT.

26 (G) MAY CONTAIN OTHER PROVISIONS THE QUALIFYING INTERMEDIATE
27 SCHOOL DISTRICT CONSIDERS APPROPRIATE OR NECESSARY.

1 (2) ANY PAYMENTS REQUIRED TO BE MADE BY AN EMPLOYER UNDER AN
2 AGREEMENT ARE A LIEN ON THE EMPLOYER'S BUSINESS PROPERTY, REAL AND
3 PERSONAL, UNTIL PAID, HAVE EQUAL PRECEDENCE WITH PROPERTY TAXES,
4 AND SHALL NOT BE DIVESTED BY A JUDICIAL SALE. PROPERTY SUBJECT TO
5 THE LIEN ESTABLISHED IN THIS SUBSECTION MAY BE SOLD FOR SUMS DUE
6 AND DELINQUENT AT A TAX SALE, WITH THE SAME FORFEITURES, PENALTIES,
7 AND CONSEQUENCES AS FOR THE NONPAYMENT OF PROPERTY TAXES. THE
8 PURCHASER AT TAX SALE OBTAINS THE PROPERTY SUBJECT TO THE REMAINING
9 PAYMENTS REQUIRED UNDER THE AGREEMENT.

10 (3) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT SHALL FILE A
11 COPY OF AN AGREEMENT WITH THE DEPARTMENT OF TREASURY PROMPTLY AFTER
12 ITS EXECUTION.

13 (4) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT SHALL NOT ENTER
14 INTO ANY NEW AGREEMENTS AFTER DECEMBER 31, 2023.

15 SEC. 773. (1) IF ANY PART OF THE PROGRAM COSTS OF A NEW JOBS
16 TRAINING PROGRAM ARE TO BE PAID FROM RECEIPT OF MONEY FROM A NEW
17 JOBS CREDIT FROM WITHHOLDING, THE AGREEMENT SHALL CONTAIN ALL OF
18 THE FOLLOWING PROVISIONS:

19 (A) THAT PROGRAM COSTS ARE TO BE PAID FROM MONEY RECEIVED FROM
20 A NEW JOBS CREDIT FROM WITHHOLDING.

21 (B) THAT THE NEW JOBS CREDIT FROM WITHHOLDING SHALL BE BASED
22 ON SALARY AND WAGES PAID TO EMPLOYEES OF THE EMPLOYER IN THE NEW
23 JOBS.

24 (C) THAT FOR EACH EMPLOYEE IN A NEW JOB, THE EMPLOYER SHALL
25 EACH MONTH PAY THE AMOUNT REQUIRED TO BE DEDUCTED AND WITHHELD BY
26 THE EMPLOYER UNDER SECTION 703 OF THE INCOME TAX ACT OF 1967, 1967
27 PA 281, MCL 206.703, TO THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT

1 IN THE SAME MANNER AS THE EMPLOYER RETURNS AND PAYS WITHHOLDING
2 PAYMENTS TO THE REVENUE DIVISION OF THE DEPARTMENT OF TREASURY, AND
3 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT SHALL PAY THE AMOUNTS
4 RECEIVED INTO A SPECIAL FUND TO PAY PROGRAM COSTS AND THE PRINCIPAL
5 OF AND INTEREST ON ANY BONDS ISSUED BY THE QUALIFYING INTERMEDIATE
6 SCHOOL DISTRICT TO FINANCE OR REFINANCE THE PROJECT IN WHOLE OR IN
7 PART.

8 (D) THAT THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY
9 IRREVOCABLY PLEDGE THE NEW JOBS CREDIT FROM WITHHOLDING, AND THE
10 SPECIAL FUND INTO WHICH THE WITHHOLDINGS ARE PAID, FOR THE PAYMENT
11 OF THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED BY A QUALIFYING
12 INTERMEDIATE SCHOOL DISTRICT TO FINANCE OR REFINANCE THE PROJECT IN
13 WHOLE OR IN PART.

14 (E) THAT FOR EACH NEW JOBS CREDIT FROM WITHHOLDING PAID TO A
15 QUALIFYING INTERMEDIATE SCHOOL DISTRICT UNDER SUBDIVISION (C), THE
16 EMPLOYER SHALL CERTIFY TO THE DEPARTMENT OF TREASURY THAT THE
17 PAYMENT WAS MADE PURSUANT TO AN AGREEMENT AND SHALL PROVIDE ANY
18 OTHER INFORMATION REASONABLY REQUESTED BY THE DEPARTMENT OF
19 TREASURY.

20 (F) ANY OTHER PROVISIONS REQUIRED BY THE QUALIFYING
21 INTERMEDIATE SCHOOL DISTRICT.

22 (2) AT THE END OF EACH CALENDAR QUARTER, A QUALIFYING
23 INTERMEDIATE SCHOOL DISTRICT RECEIVING MONEY FROM A NEW JOBS CREDIT
24 FROM WITHHOLDING SHALL CERTIFY TO THE DEPARTMENT OF TREASURY THE
25 AMOUNT OF NEW JOBS CREDIT FROM WITHHOLDING EACH EMPLOYER WITH WHICH
26 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT HAS AN AGREEMENT HAS
27 REMITTED TO THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT IN THAT

1 CALENDAR QUARTER.

2 (3) BY APRIL 1 OF EACH YEAR, EACH QUALIFYING INTERMEDIATE
3 SCHOOL DISTRICT THAT RECEIVED MONEY FROM A NEW JOBS CREDIT FROM
4 WITHHOLDING IN THE PRECEDING CALENDAR YEAR SHALL PROVIDE ALL OF THE
5 FOLLOWING INFORMATION TO THE DEPARTMENT OF TREASURY FOR THE
6 PRECEDING CALENDAR YEAR:

7 (A) THE NAME OF THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

8 (B) THE NAME OF EACH EMPLOYER WITH WHICH THE QUALIFYING
9 INTERMEDIATE SCHOOL DISTRICT HAS AN AGREEMENT, ORGANIZED BY MAJOR
10 INDUSTRY GROUP UNDER THE NORTH AMERICAN INDUSTRY CLASSIFICATION
11 SYSTEM PUBLISHED BY THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND
12 BUDGET.

13 (C) THE AMOUNT OF MONEY FROM A NEW JOBS CREDIT FROM
14 WITHHOLDING EACH EMPLOYER DESCRIBED IN SUBDIVISION (B) HAS REMITTED
15 TO THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

16 (D) THE AMOUNT OF NEW JOBS TRAINING REVENUE BONDS THE
17 QUALIFYING INTERMEDIATE SCHOOL DISTRICT HAS AUTHORIZED, ISSUED, OR
18 SOLD.

19 (E) THE TOTAL AMOUNT OF THE QUALIFYING INTERMEDIATE SCHOOL
20 DISTRICT'S DEBT RELATED TO AGREEMENTS AT THE END OF THE CALENDAR
21 YEAR.

22 (F) THE NUMBER OF CERTIFICATES OR OTHER CREDENTIALS AWARDED TO
23 PROGRAM PARTICIPANTS IN THE CALENDAR YEAR.

24 (G) THE NUMBER OF INDIVIDUALS WHO ENTERED A PROGRAM AT THE
25 QUALIFYING INTERMEDIATE SCHOOL DISTRICT IN THE CALENDAR YEAR; WHO
26 COMPLETED THE PROGRAM IN THE CALENDAR YEAR; AND WHO WERE ENROLLED
27 IN A PROGRAM AT THE END OF THE CALENDAR YEAR.

1 (H) THE NUMBER OF INDIVIDUALS WHO COMPLETED A PROGRAM AN
2 EMPLOYER DESCRIBED IN SUBDIVISION (B) HIRED TO FILL NEW JOBS.

3 (I) ANY OTHER INFORMATION REASONABLY REQUESTED BY THE
4 DEPARTMENT OF TREASURY.

5 SEC. 774. (1) SUBJECT TO SUBSECTION (16), BY RESOLUTION OF ITS
6 INTERMEDIATE SCHOOL BOARD, A QUALIFYING INTERMEDIATE SCHOOL
7 DISTRICT MAY AUTHORIZE, ISSUE, AND SELL ITS NEW JOBS TRAINING
8 REVENUE BONDS IN ANTICIPATION OF PAYMENTS TO BE RECEIVED PURSUANT
9 TO AN AGREEMENT, SUBJECT TO THE REQUIREMENTS OF THIS PART, TO
10 FINANCE COSTS OF NEW JOBS TRAINING PROGRAMS AND TO PAY COSTS OF
11 ISSUING THOSE BONDS. THE BONDS SHALL BE PAYABLE IN THE MANNER AND
12 ON THE TERMS AND CONDITIONS DETERMINED, OR WITHIN THE PARAMETERS
13 SPECIFIED, BY THE INTERMEDIATE SCHOOL BOARD IN THE RESOLUTION
14 AUTHORIZING ISSUANCE OF THE BONDS. THE RESOLUTION AUTHORIZING THE
15 BONDS SHALL CREATE A LIEN ON THE RECEIPTS FROM NEW JOBS CREDIT FROM
16 WITHHOLDING TO BE RECEIVED BY THE QUALIFYING INTERMEDIATE SCHOOL
17 DISTRICT PURSUANT TO AN AGREEMENT OR AGREEMENTS THAT SHALL BE A
18 STATUTORY LIEN AND SHALL BE A FIRST LIEN SUBJECT ONLY TO LIENS
19 PREVIOUSLY CREATED. AS ADDITIONAL SECURITY, IN THE RESOLUTION
20 AUTHORIZING THE BONDS, THE INTERMEDIATE SCHOOL BOARD MAY ALSO
21 PLEDGE THE LIMITED TAX FULL FAITH AND CREDIT OF THE DISTRICT AND
22 MAY AUTHORIZE AND ENTER INTO AN INSURANCE CONTRACT, AGREEMENT FOR
23 LINES OF CREDIT, LETTER OF CREDIT, COMMITMENT TO PURCHASE
24 OBLIGATIONS, REMARKETING AGREEMENT, REIMBURSEMENT AGREEMENT, TENDER
25 AGREEMENT, OR ANY OTHER TRANSACTION NECESSARY TO PROVIDE SECURITY
26 TO ASSURE TIMELY PAYMENT OF ANY BONDS.

27 (2) BONDS DESCRIBED IN SUBSECTION (1) SHALL BE AUTHORIZED BY

1 RESOLUTION OF THE INTERMEDIATE SCHOOL BOARD OF THE QUALIFYING
2 INTERMEDIATE SCHOOL DISTRICT, AND SHALL BEAR THE DATE OR DATES, AND
3 SHALL MATURE AT THE TIME OR TIMES, NOT EXCEEDING 20 YEARS FROM THE
4 DATE OF ISSUE, PROVIDED IN THE RESOLUTION. THE BONDS SHALL BEAR
5 INTEREST AT THE RATE OR RATES, FIXED OR VARIABLE OR A COMBINATION
6 OF FIXED AND VARIABLE, BE IN THE DENOMINATIONS, BE IN THE FORM,
7 EITHER COUPON OR REGISTERED, CARRY THE REGISTRATION PRIVILEGES, BE
8 EXECUTED IN THE MANNER, BE PAYABLE IN THE MEDIUM OF PAYMENT AND AT
9 THE PLACE OR PLACES, AND BE SUBJECT TO THE TERMS OF REDEMPTION
10 PROVIDED IN THE RESOLUTION OR RESOLUTIONS. THE BONDS OF THE
11 QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY BE SOLD AT A
12 COMPETITIVE OR NEGOTIATED SALE AT PAR, PREMIUM, OR DISCOUNT AS
13 DETERMINED IN THE AUTHORIZING RESOLUTION.

14 (3) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY ISSUE BONDS
15 DESCRIBED IN SUBSECTION (1) WITH RESPECT TO A SINGLE PROJECT OR
16 MULTIPLE PROJECTS AS DETERMINED BY THE INTERMEDIATE SCHOOL BOARD IN
17 THE RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS. THE
18 INTERMEDIATE SCHOOL BOARD OF THE QUALIFYING INTERMEDIATE SCHOOL
19 DISTRICT MAY DETERMINE TO SELL THE BONDS IN CONJUNCTION WITH THE
20 SALE OF BONDS BY ANOTHER QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

21 (4) ANY RESOLUTION AUTHORIZING ANY BONDS UNDER THIS SECTION,
22 OR ANY ISSUE OF BONDS OF THOSE BONDS, MAY CONTAIN PROVISIONS
23 CONCERNING ANY OF THE FOLLOWING, AND THOSE PROVISIONS ARE PART OF
24 THE CONTRACT WITH THE HOLDERS OF THE BONDS:

25 (A) PLEDGING ALL OR ANY PART OF ANY FEES OR AVAILABLE FUNDS OF
26 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT, OR OTHER MONEY
27 RECEIVED OR TO BE RECEIVED, TO SECURE THE PAYMENT OF THE BONDS OR

1 OF ANY ISSUE OF BONDS, AND SUBJECT TO ANY AGREEMENTS WITH
2 BONDHOLDERS AS MAY THEN EXIST.

3 (B) PLEDGING ALL OR ANY PART OF THE ASSETS OF THE QUALIFYING
4 INTERMEDIATE SCHOOL DISTRICT, INCLUDING MORTGAGES AND OBLIGATIONS
5 SECURING THE ASSETS, TO SECURE THE PAYMENT OF THE BONDS OR OF ANY
6 ISSUE OF BONDS, SUBJECT TO ANY AGREEMENTS WITH BONDHOLDERS AS MAY
7 THEN EXIST.

8 (C) THE SETTING ASIDE OF RESERVES OR SINKING FUNDS AND THE
9 REGULATION AND DISPOSITION OF RESERVES OR SINKING FUNDS.

10 (D) LIMITATIONS ON THE PURPOSE TO WHICH THE PROCEEDS OF SALE
11 OF BONDS MAY BE APPLIED AND PLEDGING THE PROCEEDS TO SECURE THE
12 PAYMENT OF THE BONDS OR OF ANY ISSUE OF BONDS.

13 (E) LIMITATIONS ON THE ISSUANCE OF ADDITIONAL BONDS; THE TERMS
14 ON WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED; AND THE
15 REFUNDING OF OUTSTANDING OR OTHER BONDS.

16 (F) THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT
17 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS
18 THE HOLDERS OF WHICH MUST CONSENT TO THE AMENDMENT OR ABROGATION,
19 AND THE MANNER IN WHICH BONDHOLDERS MAY GIVE THAT CONSENT.

20 (G) VESTING IN A TRUSTEE OR TRUSTEES THE PROPERTY, RIGHTS,
21 POWERS, AND DUTIES IN TRUST DETERMINED BY THE INTERMEDIATE SCHOOL
22 BOARD OF THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

23 (H) ANY OTHER MATTERS THAT IN ANY WAY AFFECT THE SECURITY OR
24 PROTECTION OF THE BONDS.

25 (I) DELEGATING TO AN OFFICER OR OTHER EMPLOYEE OF THE
26 QUALIFYING INTERMEDIATE SCHOOL DISTRICT, OR AN AGENT DESIGNATED BY
27 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT, THE POWER TO CAUSE THE

1 ISSUE, SALE, AND DELIVERY OF THE BONDS WITHIN LIMITS ON THOSE BONDS
2 ESTABLISHED BY THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT
3 CONCERNING ANY OF THE FOLLOWING:

4 (i) THE FORM OF THE BONDS.

5 (ii) THE MAXIMUM INTEREST RATE OR RATES OF THE BONDS.

6 (iii) THE MATURITY DATE OR DATES OF THE BONDS.

7 (iv) THE PURCHASE PRICE OF THE BONDS.

8 (v) THE DENOMINATIONS OF THE BONDS.

9 (vi) THE REDEMPTION PREMIUMS OF THE BONDS.

10 (vii) THE NATURE OF THE SECURITY FOR THE BONDS.

11 (viii) ANY OTHER TERMS AND CONDITIONS CONCERNING ISSUANCE OF
12 THE BONDS PRESCRIBED BY THE INTERMEDIATE SCHOOL BOARD OF THE
13 QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

14 (5) ALL OF THE FOLLOWING APPLY TO ANY PLEDGE OF MONEY OR OTHER
15 ASSETS MADE BY A QUALIFYING INTERMEDIATE SCHOOL DISTRICT TO SECURE
16 ANY BONDS OR ISSUE OF BONDS UNDER THIS SECTION:

17 (A) THE PLEDGE IS VALID AND BINDING FROM THE TIME WHEN THE
18 PLEDGE IS MADE.

19 (B) THE MONEY OR OTHER ASSETS PLEDGED ARE IMMEDIATELY SUBJECT
20 TO THE LIEN OF THE PLEDGE WHEN RECEIVED, WITHOUT ANY PHYSICAL
21 DELIVERY OF THE MONEY OR ASSETS OR ANY FURTHER ACT.

22 (C) THE LIEN OF THE PLEDGE IS VALID AND BINDING AS AGAINST ALL
23 PARTIES HAVING CLAIMS OF ANY KIND, IN TORT, CONTRACT, OR OTHERWISE,
24 AGAINST THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT, WHETHER OR NOT
25 THOSE PARTIES HAVE NOTICE OF THE LIEN.

26 (D) THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT IS NOT
27 REQUIRED TO RECORD THE RESOLUTION OR ANY OTHER INSTRUMENT CREATING

1 THE PLEDGE.

2 (6) THE INTERMEDIATE SCHOOL BOARD OF A QUALIFYING INTERMEDIATE
3 SCHOOL DISTRICT AND ANY PERSON EXECUTING BONDS SUBJECT TO THIS
4 SECTION ARE NOT PERSONALLY LIABLE ON THE BONDS OR SUBJECT TO ANY
5 PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF
6 THE BONDS.

7 (7) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT ISSUING BONDS
8 UNDER THIS SECTION MAY PURCHASE BONDS OF THE QUALIFYING
9 INTERMEDIATE SCHOOL DISTRICT OUT OF ANY FUNDS AVAILABLE FOR THAT
10 PURPOSE, SUBJECT TO ANY AGREEMENTS WITH BONDHOLDERS IN EFFECT AT
11 THAT TIME. UNLESS THE INTERMEDIATE SCHOOL BOARD OF THE QUALIFYING
12 INTERMEDIATE SCHOOL DISTRICT DETERMINES BY RESOLUTION THAT THE
13 PAYMENT OF A HIGHER PRICE IS IN THE BEST INTERESTS OF THE
14 QUALIFYING INTERMEDIATE SCHOOL DISTRICT, THE QUALIFYING
15 INTERMEDIATE SCHOOL DISTRICT SHALL NOT PURCHASE THOSE BONDS AT A
16 PRICE THAT EXCEEDS 1 OF THE FOLLOWING, AS APPLICABLE:

17 (A) IF THE BONDS ARE REDEEMABLE AT THE TIME OF PURCHASE, THE
18 REDEMPTION PRICE APPLICABLE AT THAT TIME PLUS ACCRUED INTEREST TO
19 THE NEXT INTEREST PAYMENT DATE ON THE BONDS.

20 (B) IF THE BONDS ARE NOT REDEEMABLE AT THE TIME OF PURCHASE,
21 THE REDEMPTION PRICE APPLICABLE ON THE FIRST DATE AFTER THE
22 PURCHASE ON WHICH THE BONDS ARE REDEEMABLE, PLUS ACCRUED INTEREST
23 TO THAT DATE.

24 (8) BONDS ISSUED UNDER THIS SECTION ARE NOT SUBJECT TO THE
25 REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO
26 141.2821, EXCEPT THAT BONDS ISSUED UNDER THIS SECTION ARE SUBJECT
27 TO THE MAXIMUM RATE PERMITTED UNDER SECTION 305 OF THE REVISED

1 MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2305.

2 (9) THE ISSUANCE OF BONDS UNDER THIS SECTION IS SUBJECT TO THE
3 AGENCY FINANCING REPORTING ACT, 2002 PA 470, MCL 129.171 TO
4 129.177.

5 (10) BONDS ISSUED UNDER THIS SECTION SHALL NOT BE CONSIDERED
6 TO BE WITHIN ANY LIMITATION OF OUTSTANDING DEBT LIMIT APPLICABLE TO
7 THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT, INCLUDING ANY
8 LIMITATION CONTAINED IN PART 7, BUT SHALL BE CONSIDERED AS
9 AUTHORIZED IN ADDITION TO ANY LIMITATION OF OUTSTANDING DEBT LIMIT
10 APPLICABLE TO THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT.

11 (11) BY RESOLUTION OF ITS INTERMEDIATE SCHOOL BOARD, A
12 QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY REFUND ALL OR ANY PART
13 OF ITS OUTSTANDING BONDS ISSUED UNDER THIS SECTION BY ISSUING
14 REFUNDING BONDS. A QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY
15 ISSUE REFUNDING BONDS WHETHER THE OUTSTANDING BONDS TO BE REFUNDED
16 HAVE OR HAVE NOT MATURED, ARE OR ARE NOT REDEEMABLE ON THE DATE OF
17 ISSUANCE OF THE REFUNDING BONDS, OR ARE OR ARE NOT SUBJECT TO
18 REDEMPTION BEFORE MATURITY.

19 (12) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY ISSUE
20 REFUNDING BONDS UNDER SUBSECTION (11) IN A PRINCIPAL AMOUNT GREATER
21 THAN THE PRINCIPAL AMOUNT OF THE OUTSTANDING BONDS TO BE REFUNDED
22 IF NECESSARY TO EFFECT THE REFUNDING UNDER THE REFUNDING PLAN.

23 (13) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY USE THE
24 PROCEEDS OF REFUNDING BONDS ISSUED UNDER SUBSECTION (11) TO PAY
25 INTEREST ACCRUED, OR TO ACCRUE, TO THE EARLIEST OR ANY SUBSEQUENT
26 DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE OUTSTANDING BONDS
27 TO BE REFUNDED, REDEMPTION PREMIUM, IF ANY, AND ANY COMMISSION,

1 SERVICE FEE, AND OTHER EXPENSE NECESSARY TO BE PAID IN CONNECTION
2 WITH THE OUTSTANDING BONDS TO BE REFUNDED. A QUALIFYING
3 INTERMEDIATE SCHOOL DISTRICT MAY ALSO USE THE PROCEEDS OF REFUNDING
4 BONDS TO PAY PART OF THE COST OF ISSUANCE OF THE REFUNDING BONDS,
5 INTEREST ON THE REFUNDING BONDS, A RESERVE FOR THE PAYMENT OF
6 PRINCIPAL, INTEREST, AND REDEMPTION PREMIUMS ON THE REFUNDING
7 BONDS, AND OTHER NECESSARY INCIDENTAL EXPENSES, INCLUDING, BUT NOT
8 LIMITED TO, PLACEMENT FEES AND FEES OR CHARGES FOR INSURANCE,
9 LETTERS OF CREDIT, LINES OF CREDIT, OR COMMITMENTS TO PURCHASE THE
10 OUTSTANDING BONDS TO BE REFUNDED.

11 (14) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT MAY APPLY THE
12 PROCEEDS OF REFUNDING BONDS ISSUED UNDER SUBSECTION (11) AND OTHER
13 AVAILABLE MONEY TO PAYMENT OF THE PRINCIPAL, INTEREST, OR
14 REDEMPTION PREMIUMS, IF ANY, ON THE REFUNDED OUTSTANDING BONDS AT
15 MATURITY OR ON ANY PRIOR REDEMPTION DATE OR MAY DEPOSIT THE
16 PROCEEDS OR OTHER MONEY IN TRUST TO USE TO PURCHASE AND DEPOSIT IN
17 TRUST DIRECT OBLIGATIONS OF THE UNITED STATES, DIRECT NONCALLABLE
18 AND NONPREPAYABLE OBLIGATIONS THAT ARE UNCONDITIONALLY GUARANTEED
19 BY THE UNITED STATES GOVERNMENT AS TO FULL AND TIMELY PAYMENT OF
20 PRINCIPAL AND INTEREST, NONCALLABLE AND NONPREPAYABLE COUPONS FROM
21 THOSE OBLIGATIONS THAT ARE STRIPPED PURSUANT TO UNITED STATES
22 TREASURY PROGRAMS, AND RESOLUTION FUNDING CORPORATION BONDS AND
23 STRIPS, THE PRINCIPAL AND INTEREST ON WHICH WHEN DUE, TOGETHER WITH
24 OTHER AVAILABLE MONEY, WILL PROVIDE FUNDS SUFFICIENT TO PAY
25 PRINCIPAL, INTEREST, AND REDEMPTION PREMIUMS, IF ANY, ON THE
26 REFUNDED OUTSTANDING BONDS AS THE REFUNDED OUTSTANDING BONDS BECOME
27 DUE, WHETHER BY MATURITY OR ON A PRIOR REDEMPTION DATE, AS PROVIDED

1 IN THE AUTHORIZING RESOLUTION.

2 (15) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT IS AUTHORIZED
3 TO PAY ALL OR PART OF THE COSTS OF NEW JOBS TRAINING PROGRAMS OUT
4 OF FUNDS OF THE QUALIFYING INTERMEDIATE SCHOOL DISTRICT, INCLUDING
5 SELF-FUNDING METHODS. THE USE OF FUNDS OF THE QUALIFYING
6 INTERMEDIATE SCHOOL DISTRICT AND SELF-FUNDING METHODS TO PAY THE
7 COSTS OF NEW JOBS TRAINING PROGRAMS SHALL BE CONSIDERED AN
8 AUTHORIZED EXPENDITURE OF PUBLIC FUNDS AND SHALL NOT BE CONSTRUED
9 AS AN INVESTMENT.

10 (16) A QUALIFYING INTERMEDIATE SCHOOL DISTRICT SHALL NOT
11 AUTHORIZE, ISSUE, OR SELL ANY NEW JOBS TRAINING REVENUE BONDS AFTER
12 DECEMBER 31, 2023.

13 SEC. 775. BONDS AND NOTES ISSUED BY A QUALIFYING INTERMEDIATE
14 SCHOOL DISTRICT UNDER THIS PART AND THE INTEREST ON AND INCOME FROM
15 THOSE BONDS AND NOTES ARE EXEMPT FROM TAXATION BY THIS STATE OR A
16 POLITICAL SUBDIVISION OF THIS STATE.

17 SEC. 776. THE AGGREGATE OUTSTANDING OBLIGATION OF ALL
18 AGREEMENTS ENTERED INTO UNDER THIS PART SHALL NOT EXCEED
19 \$50,000,000.00 IN ANY CALENDAR YEAR.

20 Enacting section 1. This amendatory act takes effect 90 days
21 after the date it is enacted into law.

22 Enacting section 2. This amendatory act does not take effect
23 unless House Bill No. 4751 of the 98th Legislature is enacted into
24 law.